

State Board of Accounts Bookkeeping Workshop 2011

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2011 Laws Affecting Libraries

Presentation at the Indiana State
Library November 3 and repeated
November 9, 2011

Evergreen Indiana Pilot Program (Not Open to Entire Consortium)

- ❖ Consortium members accepting fines/fees for one another
 - ◆ Small test group
 - ◆ Cash and checks only
- ❖ Accounting Procedures
 - ◆ Bookkeeping Daily Cash Record and Receipt(s)
 - ◆ Pass through fund

Tuition Reimbursement

- ❖ HEA 1001
- ❖ Taxable for State Income
 - ◆ Retroactive January 1, 2011
- ❖ Federal Tax: \$5,250 exclusion

Employer Provided Cell Phones

- ❖ Public Law 111-240 Section 2043 Small Business Jobs Act of 2010
- ❖ Working Condition fringe benefit
 - ◆ Employer provides cell phone for business reasons
 - ◆ Employer business policy defines the reasons that employee requires a cell phone for work-related purpose(s).
- ❖ Or qualifies as De Minimis fringe benefit
 - ◆ Amount so small as to make accounting unreasonable
- ❖ Fringe benefit
 - ◆ Cell phone provided to promote morale or good will of employee

Common Construction Wage: P.L. 18 or SEA 418 effective July 1, 2011

Amends IC 5-16-7-1, IC 5-16-7-4 and IC 5-30-8-6

- ❖ Common Construction Wage for Public Works
- ❖ County Wage Committee Determines Every Three Months
- ❖ Monitors Wages Over the Life of the Project
- ❖ If contract for a project not included on current classifications for existing wage scale, the awarding agency shall form a new committee to determine the classifications and wages on the contract

Common Construction Wage: P.L. 195 or HEA 1216 effective July 1, 2011

Adds IC 5-16-7-6; amends IC 5-16-7-1 and IC 5-16-7-4

- ❖ Raises the Dollar Amount of Projects Subject to the Common Construction Wage Law from \$150,000 to \$250,000 on January 1, 2012
- ❖ And from \$250,000 to \$350,000 on January 1, 2013

Public Law 172 HEA 1004

Amends IC 5-11-1-4 and IC 5-11-13-1; IC 6-1.1-17-17.2

- ❖ Department of Local Government Finance Budget
Approval may not approve the budget of a library or the supplemental appropriation for a library until the library files a CTAR and Form 100-R for the preceding calendar year.

Public Works Projects: Bid Thresholds

Amends IC 36-1-12-4 and IC 36-1-12-4.7

- ❖ Raises the bid thresholds for public works projects to \$150,000
- ❖ Library must obtain at least three (3) quotes by mail
 - ◆ On projects of \$50,000 to \$150,000

Local Indiana business price preference

Adds IC 5-22-15-20.9

Public Law 139 SEA 60 Public Works Projects effective July 1, 2011

Amends IC 36-1-12-4

- ❖ Provides That for Purposes of the Local Public Works Statutes, Bids May Be Opened After the Time Designated If:
 - ◆ (1) the library makes a written determination that it is in the best interest of the library to delay the opening; and
 - ◆ (2) the day, time, and place of the rescheduled opening are announced at the day, time, and place of the originally scheduled opening.

Public Law 107 or SEA 464 Depository Rule effective July 1, 2011

Adds IC 5-13-4-21.3; Amends IC 5-13-4-3 and IC 5-13-4-4

- ❖ Obligation to Deposit Public Funds Daily
- ❖ Public servant knowingly or intentionally fails (1) to properly deposit public funds or (2) deposits or draws any check or negotiable order of withdrawal against the fund; except in the manner prescribed in IC 5-13 commits a Class A misdemeanor
- ❖ Increases the Penalty to a Class D Felony If the Amount Involved Is At Least \$750
- ❖ And to a Class C Felony If the Amount Involved Is At Least \$50,000

Public Law 107 or SEA 464 Depository Rule effective July 1, 2011 (continued)

Public Law 107 or SEA 464 Depository Rule effective July 1, 2011

- ❖ Class B misdemeanor
 - ◆ Provides that public servant who knowingly or intentionally fails to perform any duty imposed upon the public servant by IC 5-13, other than a duty for which a penalty is imposed by IC 5-13-14-3
- ❖ The public servant also is liable upon the public servant's official bond for any loss or damage that may accrue.

Public Law 188 HEA 1174 Sale of real estate, appraisals and hiring a broker effective July 1, 2011

Amends IC 36-1-11-4, IC 36-1-11-4.2 and IC 36-1-11-5; adds IC 36-1-11-4.3

- ❖ Removes the requirement that two (2) appraisers appointed to appraise the property to make a joint appraisal
- ❖ Disposing agent may sell property for less than ninety percent (90%) of the average of the two (2) appraisals of the tracts only after additional notice stating the amount of the bid to be accepted is published in accordance with IC 5-3-1
- ❖ Disposing agent may reject all bids
 - ◆ Must make a written determination to reject all bids that explains why all bids were rejected

Public Law 188 HEA 1174 Sale of real estate, appraisals and hiring a broker effective July 1, 2011 (continued)

- ❖ Disposing agent determines that, in the exercise of good business judgment, should hire a broker or auctioneer to sell the property
- ❖ Disposing agent may pay broker or auctioneer a reasonable compensation out of gross proceeds of the sale

Public Law 188 HEA 1174 Sale of real estate, appraisals and hiring a broker effective July 1, 2011 (continued)

- ❖ Disposing agent may hire a broker to sell real property directly rather than use a bid process under IC 36-1-11-4(c) through (f) if
 - ◆ (1) disposing agent publishes a notice of the determination to hire the broker in accordance with IC 5-3-1; and
 - ◆ (2) property has been up for bid for at least sixty (60) days before the broker is hired, and either
 - ◆ No bids received or
 - ◆ Disposing agent rejected all bids that were received

Public Law 188 HEA 1174 Lease of Property; Appraisals

Amends IC 36-1-11-10

- ❖ Disposing agent shall receive bids in manner prescribed in IC 36-1-11-4 and lease the property to the highest and best bidder
- ❖ Disposing may reject all bids
 - ◆ Must make a written determination to reject all bids that explains why all bids were rejected

Public Law 188 HEA 1174 Lease of Property; Appraisals

Amends IC 36-1-11-10

- ❖ Disposing agent may lease the real property for a value that is less than ninety percent (90%) of the appraised fair market rental value as determined by the average of the two (2) appraisals under IC 36-1-11-4(b) only after publishing an additional notice in accordance with IC 5-3-1, stating the amount of the bid to be accepted.
- ❖ Disposing may reject all bids
 - ◆ Must make a written determination to reject all bids that explains why all bids were rejected

Public Law 171 SEA 590 Immigration Matters Effective July 1, 2011

Adds IC 12-32, IC 22-4-39.5, IC 22-5-1.7, IC 22-5-6, IC 34-28-8.2 and IC 35-33-8-4.5

- ❖ Employers required to use Federal E-Verify Program
 - ◆ Verify eligibility status of new hires after
- ❖ Library Development Office Legal Resource page at <http://www.in.gov/library/law.htm>
 - ◆ 2011 Legislation –SEA 590 Unauthorized Aliens – Analysis & Guidance